

# EASTERN WORLD

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July 1959



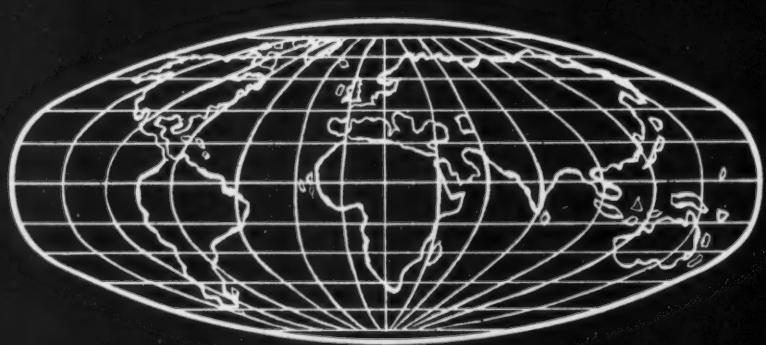
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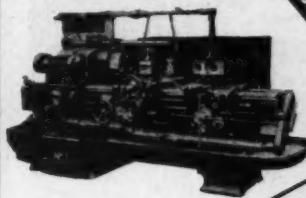
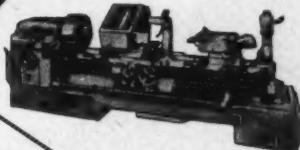
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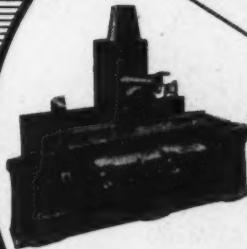
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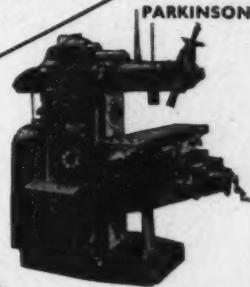
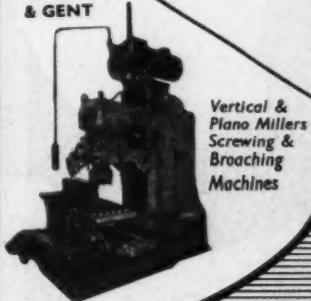
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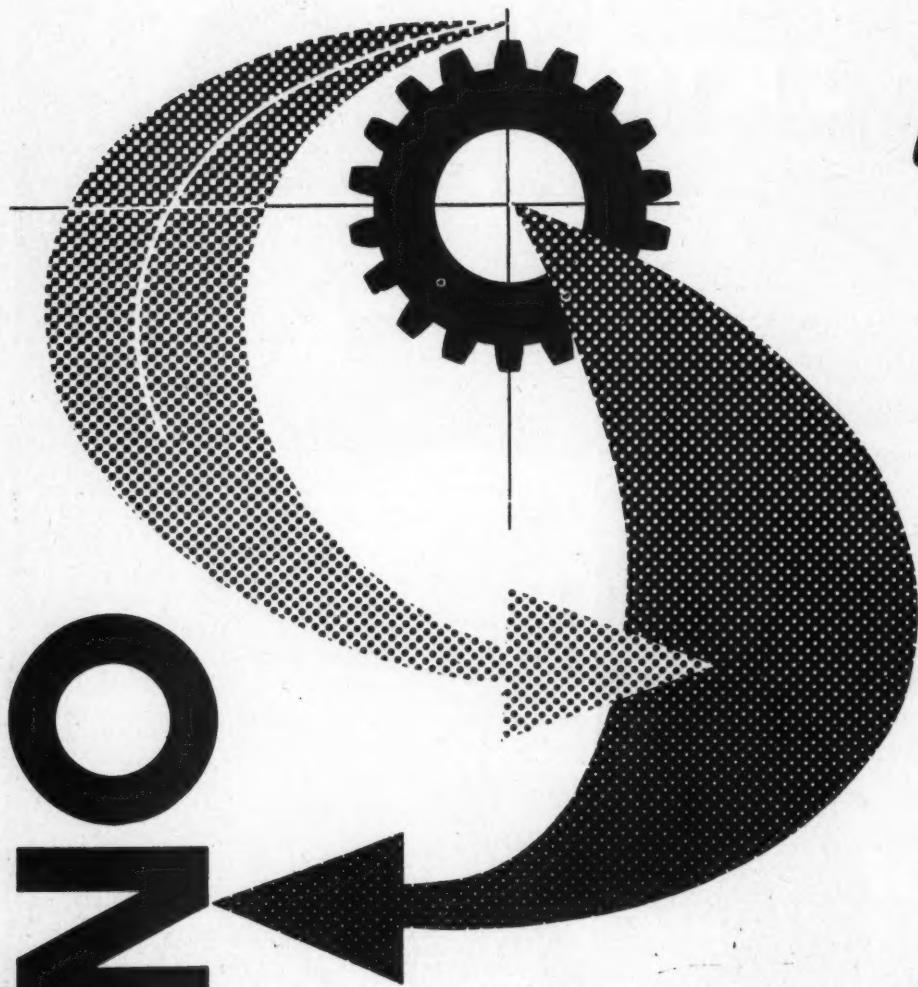
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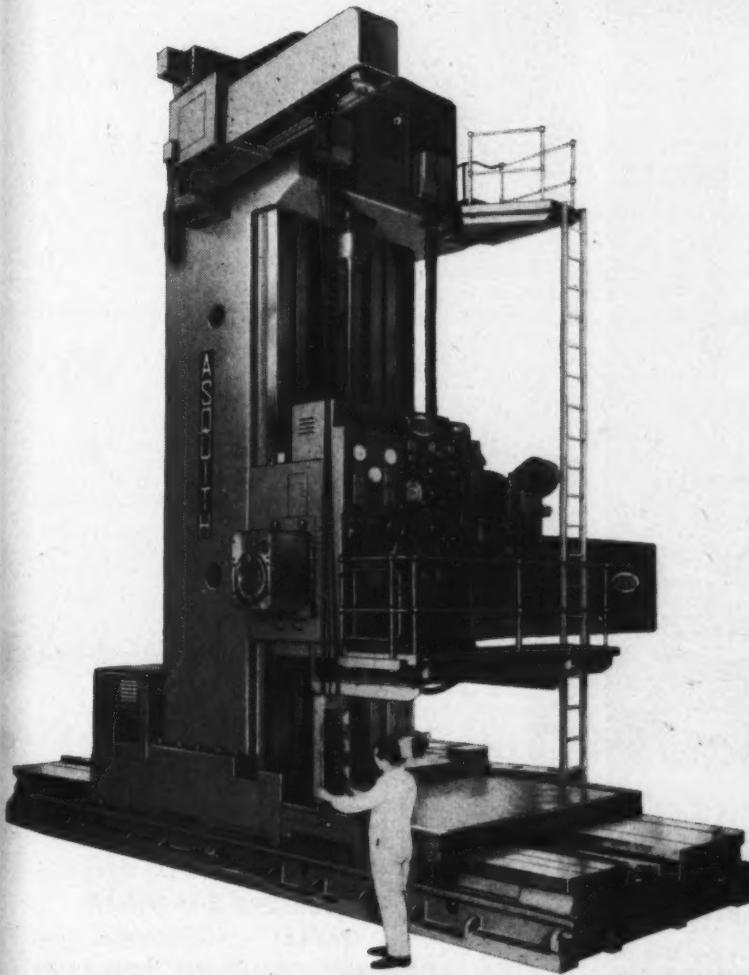
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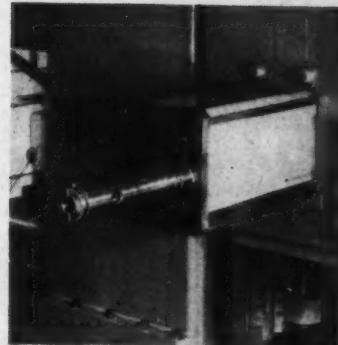
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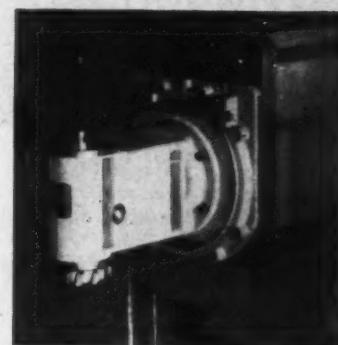
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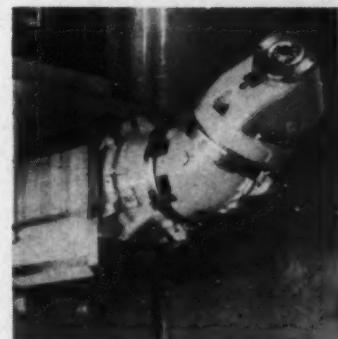
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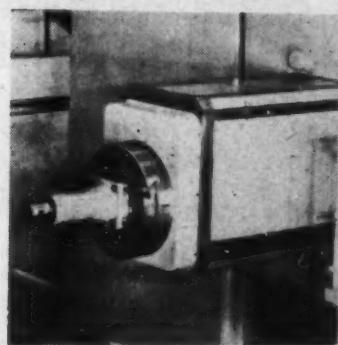
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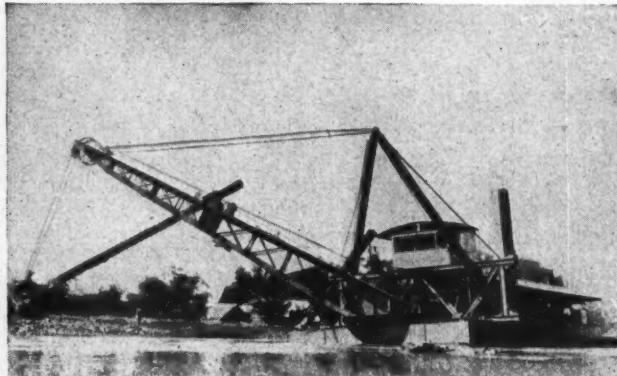
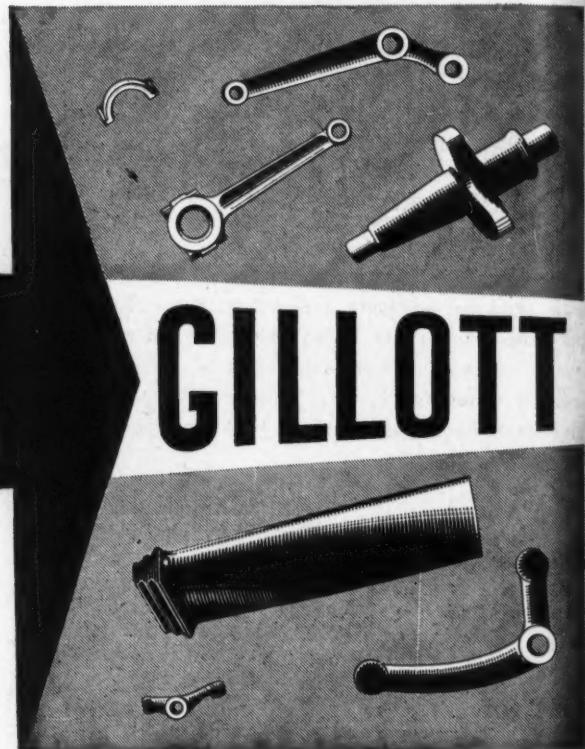
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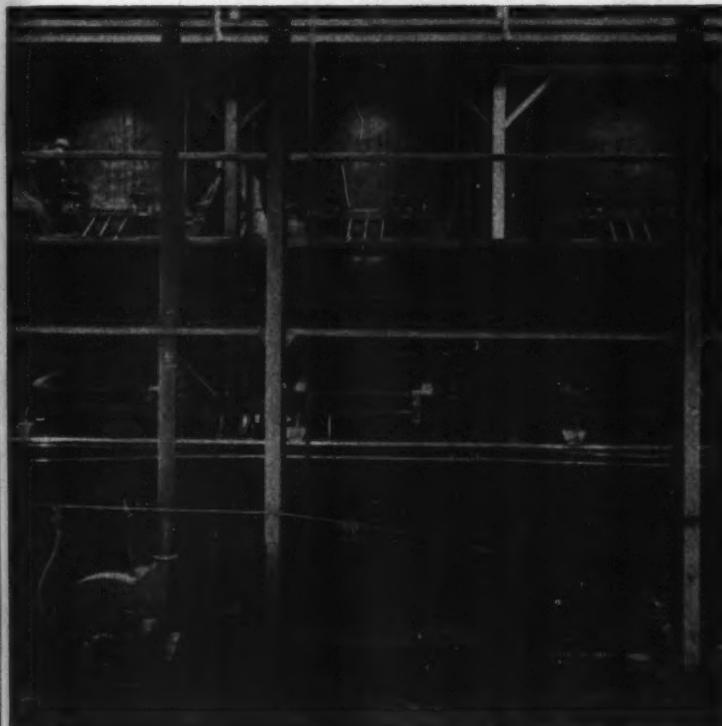
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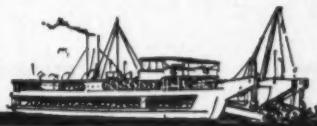
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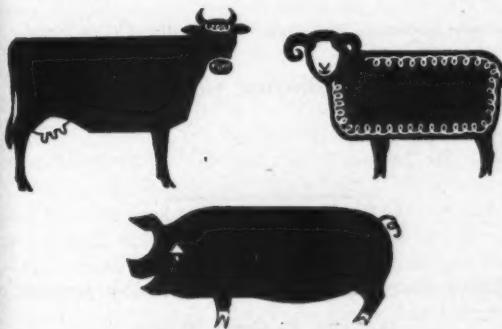
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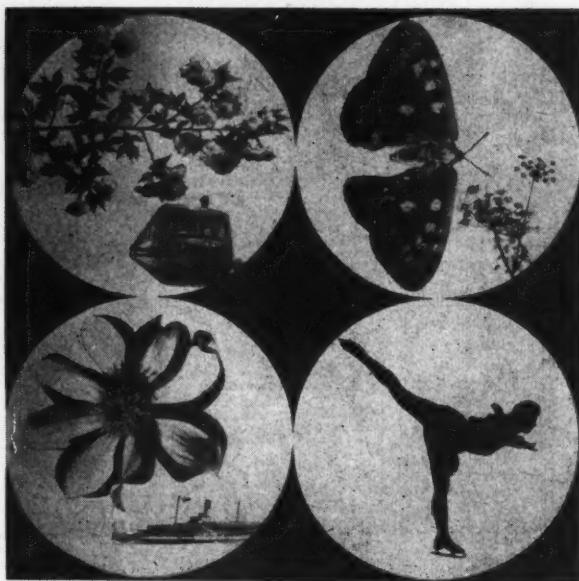
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*The Editor does not hold himself responsible for opinions expressed in signed articles.*

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Front Cover Picture: Silence after the storm in Tibet. An old gun, together with some more modern weapons, stands forlorn in defeat on the wind-swept plateau in front of Lhasa's Potala Palace. Rebel prisoners are seen crouched on the icy ground.

# EASTERN WORLD

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London

July

1959

## Singapore under Mr. Lee

NOW that the choking dust of pre-election recrimination has blown away from the island of Singapore it is possible to see more clearly how the new situation stands. The inevitable happened with the People's Action Party sweeping the board and securing 43 of the 51 seats in the Assembly. It did so in the face of the most vitriolic political opposition seen in any South-East Asian country. The PAP has emerged as the only coherent political force in the island, and takes over office in the full confidence not only that the large majority of Singapore citizens support it, but that its political opponents are split all at sixes and sevens.

Mr. Lee Kuan Yew, the new Prime Minister, has a task as difficult as any that has faced the leader of a country recently emerged from colonial rule. He has to govern and satisfy a populace more politically sophisticated than most in the region, and because Singapore is not a completely viable unit, economically, he must work towards the eventual goal of union with the Federation of Malaya which is at present ruled by a Government of almost the complete opposite complexion to Mr. Lee's own. Absolute freedom cannot be achieved by Singapore until a merger with Malaya comes about, for under the new constitution the United Kingdom still controls the island's foreign affairs and defence.

From the moment it became obvious that the PAP would win the political contest speculation had been rife on how far Mr. Lee Kuan Yew would be a prisoner of his party's extreme left-wing. The reorganisation which he and his closest lieutenants carried out within the PAP should have been indication enough that he had, and has, no intention of being influenced by the fellow-travelling element. This has been further reinforced by the statements Mr. Lee has made since his victory. He has not minced words in saying that he is non-Communist although not anti-Communist, but he has talked sound economic commonsense about not imposing restrictions on capital leaving Singapore. If employment is to be kept at a reasonably stable level,

investors from outside must be attracted, and the island's present trade level at least maintained, if not substantially increased. He has gone some way to ease Malayan fears of his administration by declaring that the island's fiscal policy will remain in line with that of the Federation, and that he intends to make Malay the first language of Singapore. This last is a big step to take for Singapore is a majority Chinese area, but it does mean that Mr. Lee is, right from the start, giving priority in his planning to the eventual merger with Malaya.

How Malaya looks at eventual unification with Singapore is another matter. The men in power in Kuala Lumpur are obviously distrustful of Mr. Lee and his associates, and they must have cocked a wary ear at what was said when the detained extremists were released at Mr. Lee's insistence. A great deal was said then about what the unity of the Singapore and Malay people would mean in political terms. It was recognised that under British rule a national consciousness was not possible, and that differences between the races of Malaya (presumably including Singapore) were suppressed in the general desire to achieve freedom. Now that the British had departed, differences would arise, but

*Owing to the impending dispute in the British Printing Industry, this issue goes to press early and is reduced in size.*

*We apologise to our readers for the omission of some Editorial matter, and hope to revert to our usual amount of contents in the August number or as soon as the Industrial dispute is settled.*

*We also express our thanks to the Printers for their co-operation in publishing this issue under considerable difficulties.*

EDITOR

one of the reasons why the Chinese in Singapore should study the Malay language was so that suspicions could fade away through linguistic and cultural unity. When words were spoken on the release of the detainees about revolution by consent and peaceful persuasion, the Government in Malaya could be forgiven for thinking that certain elements in the PAP were thinking in terms of winning the Malayan people over from anti-Communism and non-socialism to non-Communism and socialism.

This is the sort of outlook that Lee Kuan Yew will have to handle carefully if he is not to upset the Federation Government. But the fact that he won the acclaim of Singapore's majority without the help of the extremist elements, and that he secured their promised release without pressure from anyone, puts him in a position of undisputed authority. Furthermore the men he has gathered round him in the Government are able, and dedicated to his leadership. There is no reason to suppose that they will not make a perfectly good job of governing Singapore, which means as much as anything a clean administration where the bribe is

actively discouraged.

As far as Britain is concerned there can be no cause for complaint. When Mr. David Marshall first came to this country asking for self-government for Singapore, the powers in Whitehall knew what the eventual outcome must be. That it is Lee Kuan Yew instead of David Marshall or Lim Yew Hock should not worry them unduly. The military bases in Singapore are secure enough under the new constitution, and the number of Singapore citizens they employ is enough to ensure that the new Government will not, for the time being at any rate, agitate for their removal. They will have to go in the long run, when Singapore achieves full freedom in association with Malaya, but to have tried to resist the pressures for self-government from Singapore would have made the position of the bases insecure in the short term rather than the long. It is now a waiting game for Britain, Malaya and Singapore to see how Mr. Lee makes out. Despite some obvious political and economic squalls ahead, the barometer looks set reasonably fair for Singapore under Mr. Lee.

## Comment

### Concern over Laos

**T**HE situation in Laos is really rather more complicated than it seems at first glance. The Geneva agreement of 1954 laid it down that the Pathet Lao forces were to remain in control of the two northern provinces until a settlement was reached with the Laotian Government. That settlement took place last year when the Pathet Lao Leader, Prince Souvannavong reached agreement with the then Prime Minister, Prince Souvanna Phouma, his half-brother, that the Pathet Lao forces would give up their separate identity and be integrated into the Laotian armed forces on condition that the political wing of the movement was allowed to function as a recognised political party. In subsequent elections for 21 to 58 parliamentary seats, the political organisation, now called the Neo Lao Hakset, won 13. Souvannavong and one other NLH leader by arrangement held Ministerial posts.

With a settlement reached, the three-power supervisory commission under India's chairmanship ceased to function. Now China, Russia and North Viet Nam have called for the reconvening of the commission because the Laotian army attacked two remaining Pathet Lao battalions who resisted integration. (One subsequently handed itself over). This act, according to Russia and China, is in contravention of the Geneva agreement. According to last year's settlement the battalions should have been integrated without fuss, but events since may have convinced them that the settlement was no longer valid. Last September Souvanna Phouma resigned as Prime Minister and the Assembly voted in favour of Mr. Sananikone to succeed him. Then earlier this year Sananikone did a de Gaulle act and stopped political activity, making himself the supreme

authority in Laotian government. This meant, in effect, that the Neo Lao Haksat could not operate as a proper political party, and this in the view of some NLH members, and perhaps the leaders of Pathet Lao battalions, automatically abrogated the settlement and put matters back where they were. The British Government's view is that the whole business is an internal matter, and has nothing further to do with the Geneva agreement (of which Britain and Russia were co-chairmen).

Mr. Nehru has given his advice that the supervisory commission should be reconvened because "outside puli" had become stronger in the Indo-China states, and that those states must be kept out of cold war technique and action. What he means, in regard to Laos, is that the United States has been increasing its influence in the country since Sananikone assumed complete control. Sananikone, it would seem, is backed by a powerful group of young officers and intellectuals whose original concern was to see the older corrupt elements removed from positions of influence. If this it is possible to sympathise with them. Furthermore the Neo Lao Haksat which contained a large number of moderate left-wingers is now falling more under the influence of two groups of Communists — those of the Lao Dong (the North Viet Nam Communist Party) and a group which is rapidly forming itself into the nucleus of a Laotian Communist Party. This activity and the continued intrusion of American money and influence is creating a situation which is pregnant with trouble. Although it may be a moot point whether the Geneva agreement was broken or not, the important thing now is to see that the uneasy peace is preserved in the Indo-China area. It is difficult not to agree with Mr. Nehru that to have the international supervisory commission there again would have a sobering and balancing effect.

## Back-Stage in Djakarta

A GREAT deal of behind the scenes manoeuvring is going on in Djakarta by leaders of the two Muslim parties — the Masjumi and the Nahdatul Ulama — to try and secure for themselves positions of influence in President Sukarno's cabinet when the 1945 Constitution is readopted. This is the explanation of why these two parties have consistently refused to vote in favour of the constitution. Among the Muslim element in Indonesian politics there has always been a certain measure of distrust of Dr. Sukarno's guided democracy concept, and before they give the 1945 Constitution, which imparts wide executive powers to the President, their full approval certain safeguards with regard to their position are the price they want in payment.

Their main demand is that the 1945 Constitution will have their support only if it incorporates the "Djakarta Charter," which is a guarantee safeguarding the Muslim religion. The President is not likely to agree to anything which whittles away the possibilities of setting up a secular state. The Nahdatul Ulama, which is generally regarded as the more progressive of the two Muslim parties, is probably less concerned about the inclusion of the Djakarta Charter than in pressing for one of its prominent members as vice-president. As we go to press it is not clear how far the Nahdatul Ulama will achieve satisfaction in this respect.

From out of the confusion the one strong element that emerges is the army. General Nasution, the Army Chief of Staff, has banned all political activity for the time because a reflection outside of the ideological differences in the Assembly might have "undesirable consequences in the maintenance of order and security." With militant Islamism rampant in the country in the shape of the Darul Islam organisation, and the touchiness of the Communist Party, the search for a peaceful solution to the country's troubles might be thrown into jeopardy by heated political activity. The President and his supporters have one clear objective — to put an end to political strife at the executive level and to put the country on the road to socialism. Guided democracy is a means to achieve this end, and it will curb the excesses of the Communists as much as those of the Muslim parties. The first priority is the maintenance of law and order, for without it nothing can even begin to be achieved. To this end the Army is being built up into a disciplined and stable force, and is being given more say in the country's affairs. Both the President and General Nasution are anxious to have the 1945 Constitution voted back by a two-thirds majority in the Assembly, but if this fails there is the prospect that it will be brought back by decree which overrides the powers of the Assembly. This might well create the kind of trouble the President and his Cabinet want to avoid. It all seems to depend therefore on what kind of satisfaction the Nahdatul Ulama and the Masjumi can get from behind-the-scenes negotiations. In any case most Indonesians seem to expect the 1945 Constitution to come into force by September.

## Japan's Anti-American Election

IN last month's election of the Japanese Upper House the victory of the Kishi Government candidate has been fairly generally interpreted as a vote of confidence in the Liberal Democrats and their policy of close alliance with the United States. They themselves claim the electors have

rebuffed the Socialists, who want an independent, neutralist Japan and have received the moral support of Russia and China. The Left, on the other hand, are able to point to big gains for themselves. With seven new seats in the Upper House, bringing the total to 85, the Japanese Socialist Party can now bloc the Government's planned revision of the Constitution, which would have required a two-thirds majority of the total membership of 250.

Though the Socialists never claimed they could win a clear majority in the Upper House, they had hoped to muster 100 seats. Their veto power in preventing Constitutional changes is, however, just as effective with 85 votes as it would have been with 100. The Communists with three seats as against their former two, understandably rejoice at this 50 percent increase in their strength. But though arithmetically indisputable, it is balanced by the victory of the Soka Gakkai group, who are a kind of Japanese Poujadist development and have won double the number of Communist seats in the Upper House.

Since the Kishi Government is wholly committed to revision of the Constitution and the signing of a new security treaty with the US, it seems pretty clear that in spite of its continued majority, the election results spell a factual defeat for its policy. It wants recognition as an independent ally of America rather than remain a *de jure* protectorate as at present. The Socialists insist on nothing less than a full and uncommitted independence. It is not a complete victory for either side, but the Socialists have at any rate gained a veto power.

## The Atlantic Circus

WHEN it comes to speculative ideas the West can certainly teach the Communist world a thing or two. The variety of probable and improbable schemes put forward at the Atlantic Congress in London last month all had a touch of fantasy, with some in the horror strip class, some an intellectual exercise and others pure entertainment. Three main policy questions were posed, namely internal relations among the NATO member countries, NATO relations with the uncommitted countries, and NATO relations with the Communist world. But there was no new departure, little bold or creative thinking. The general tendency of the more important papers and the sometimes acrimonious debates, was actually towards widening the gulf between the Communist and non-Communist worlds, and bringing the latter completely under NATO-hegemony. It would be difficult to imagine any Communist gathering behaving in such an openly and aggressively insensitive way to the non-alignment policies of the uncommitted areas, and to global public opinion favouring removal of the nuclear weapons menace and a serious approach to coexistence.

A tendency, particularly disturbing to Asian public opinion, was contained in the speech of Mr. Paul-Henri Spaak, Secretary-General of NATO: "We must add to our military effort and economic, social and cultural effort, to our European occupations and African and Asian pre-occupations. In the next ten years we must extend the alliance ideologically in all spheres." Thus, the uncommitted nations of Asia can expect an intensification of the cold war in their area, which may lead to increased tension throughout the world.

No wonder Mr. Gaitskell, with the unqualified support of Prime Minister Macmillan, doubted the wisdom of NATO

as a body going into the business of helping the under-developed countries. These British political leaders hereby showed a greater awareness of the suspicions still existing in the formerly colonial countries against all military blocs, and advised that far more can be done through the international institutions already active in this field.

A few in the Congress echoed these saner sentiments, outstandingly Dr. Mordecai Johnson, head of Howard University for negroes in Washington, in saying that the west could not hold out for long if it had no convincing alternative to offer to the seductive ideologies of the other side. But neither Dr. Johnson nor the British leaders were able to produce any new, crusading ideas with which the west might conceivably conquer the hearts and minds of the uncommitted world.

In fact, the Atlantic Congress did not contribute anything towards the lessening of international uneasiness. It seems that it had not been convened to celebrate its tenth anniversary, but rather to counteract the delicate, vastly more important deliberations taking place in Geneva at the same time. It can only be hoped that the influence of the mentality which manifested itself at the Atlantic Congress will continue to decrease, and that the great powers will not be deflected from their path toward summit talks.

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a success, similar expeditions will visit other glacier regions of China to increase irrigation resources of the vast deserts which spread at the foot of the mountains and which could be turned into good farmlands. The illustration shows a Chinese mountaineer taking samples from the ice cliff to determine its density.

# INDONESIA'S "FUNCTIONAL" REVOLUTION

*By Justus M. van der Kroef*

In the first half of this year Indonesia was the scene of extensive planning and discussions among leading political figures directed toward an incisive alteration of the structure of the government. The ostensible aim of this political transformation, as announced by President Sukarno, is to effect a "return to the Constitution of 1945," i.e. to a governmental arrangement in which the cabinet is appointed by and responsible to the President, and parliament, though retaining much of its legislative authority, has less influence in the day to day implementation of policy. At the same time there is to be a kind of "simplification" (i.e. merger) of the myriad of parties in the interests of national unity. The Constituent Assembly, now in session in Bandung, as well as the present parliament are to approve all these changes in short order, so that by August 17, 1959, Indonesia's independence anniversary, a formal announcement instituting the new political order can be made.\*

The debates in parliament and Constituent Assembly, as well as some of the reactions of leading party spokesmen, indicate that there is some doubt that this new scheme of government may not prove to be as useless as its many predecessors. But, whatever the ultimate success or failure of the "back to the 1945 Constitution" plan, it is evident that one feature of it will have more than transitory significance. This is the increasingly important role assigned in political life to the so-called "functional groups," that is organisations with a particular social and economic interest. Among the functional groups are (1) government workers and officials, (2) the peasantry, (3) national businessmen, (4) the armed forces, including army, navy and airforce, (5) the police, veterans and members of the para-military village guards, (6) religious organisations, including Muslims, Protestants, Catholics and Hindu-Balinese, (7) groups that style themselves "promoters" of Indonesia's independence proclamation of August 17, 1945, (8) representatives of the ethnically distinct provincial areas beyond Java, (9) intellectuals and artists, (10) teachers, (11) women, (12) youth and (13) nationals of foreign origin such as Indo-Chinese, Indo-Arabs and Eurasians. In the new parliament to be established after the nation has returned to the Constitution of 1945 probably 50% of the seats will be allotted to members of these functional groups, but not on the basis of absolute equality. For example the armed forces alone have been promised 29 seats, the police 3, veterans 1, village guards 1, and the peasantry not less than 20. Considerable confusion and disagreement still exists as to the procedure of election of members of the functional groups. For example, the representative of the armed forces in the new parliament are to be appointed by the President with the concurrence of the chiefs of staff, but the Communist Party has sharply opposed this procedure, demanding that these representatives be elected. Candidates of the regular political parties for the new parliament will still be elected, but whether a duplication of interests can be avoided (for some parties have strong influence in certain functional groups) is a difficult question.

The Incorporation of the functional groups into the legislative organs of the state is seen as a necessary step that will stabilise political conditions in the country. In an explanatory statement before parliament early in March premier Djawanda declared that in view of the "dynamic" condition of Indonesian

society today "there were forces which were not effectively and parliamentarily channeled" in the present structure of government. These forces are the special interest groups, and by making them part of the legislative body as functional entities, the premier went on, a more complete participation of all levels of society in the affairs of state can be effected. Professor Muhammad Yamin, a Minister of State in the Djawanda cabinet and long a chief spokesman for the more mystical aspects of Indonesian nationalism, has declared that the Indonesian Revolution has now reached the stage of the "functional revolution," which is a new phase "in the not yet consummated national revolution." The functional phase, according to Yamin, will facilitate the establishment of the "Indonesian doctrine" of the Pantjasila, i.e. the five principles of the Indonesian state (belief in God, nationalism, democracy, humanism and social justice).

It is well to emphasise that the idea of participation by "functional" groups in the government is of long standing in Indonesian nationalist thinking. For example, in 1919 on the occasion of the formation of a central Indonesian labour federation in the city of Djokjakarta in Central Java, a political charter was drafted which laid down a future form of government. A parliament of two chambers was provided for in this arrangement, one seating the delegates of the various political parties, the other a "functional" chamber, comprising representatives of peasants and other social groups. In 1940, during a special inquiry conducted by the Dutch colonial government into the political wishes of the various population groups of the country, a combination of Indonesian organisations proposed much the same thing: in addition to a popular representative body the establishment of an additional legislative chamber was suggested, in which delegates of "social, cultural, religious, and economic interest groups" would be seated. When in 1945 Indonesians proclaimed their independence and began their revolutionary struggle against the Dutch, it is understandable that in their constitution of that year the "functional" concept would also find a place. For example, article 2, chapter 2 of that Constitution provides for the inclusion of representatives from outlying provinces and of "other groups" in the People's Congress, the principal source of public power, of which the nucleus would be an elected House of Representatives. President Sukarno's preoccupation with the idea of the functional groups is apparent as early as these Revolutionary days. For in his relationship with the National Indonesian Central Committee which, in view of the unsettled times, had in fact become Indonesia's *de facto* parliament, Sukarno followed a policy of balancing public opinion by extending the committee's membership with representatives from peasant, youth, labour, women's and other groups. That this did not always find favour among the regular political parties goes without saying.

When in 1949, at the close of the Revolution, Indonesia formally attained her freedom, it was not the Constitution of 1945, but a new fundamental law which was promulgated to structure the government of the new Republic. This Constitution of 1949, by which Indonesia has essentially been governed until this year, has not stood up well under the country's experience. For one thing it envisaged a federal state, but as early as 1950 the federal provisions were abandoned and the component units of the Republic formed a unitary state. For another the 1949 Constitution was based on the principles of ministerial

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responsibility and parliamentary democracy, making of the political parties the principal conduits of public authority and opinion. Since for many years national parliamentary elections were not held, the members of parliament were appointed by the executive with the concurrence of party leaders. The result was twofold. In the first place parties and their leadership tended to be increasingly out of touch with the public, and lacking effective public as well as internal controls, parliament and parties came to be permeated by self interest and corruption. Secondly, since in the absence of a popular mandate no one really knew the relative strength of the myriad of political groupings there arose a tendency to accommodate all groups, even those which were believed to be relatively small, in various committees and in the distribution of parliamentary power. This in turn had the tendency of heightening the sphere of unreality that hung about parliament, and at the same time made further party and splinter group formation attractive to the politically ambitious. The corruption and incompetence of parliament, particularly since after the raw materials boom of the Korean War, Indonesia's economy steadily began to deteriorate, aroused the ire of many layers of society: army officers, public administrators, labour, peasant groups, and so on.

But it would be unfair and incorrect to place the burden of the failure of the modified 1949 Constitution solely on parties and parliament. Equally important has been the tendency of influential figures, like President Sukarno, of organisations and movements to exert direct pressure on the government in office, by-passing parliamentary channels. It is noteworthy, for example, that since Indonesia formally attained her independence not a single cabinet has fallen in consequence of a demonstration of lack of confidence in parliament. Invariably extra-parliamentary pressures and events caused a government to return its mandate. Functional groups have had the tendency to often ignore the parliamentary system and the proper role of parties as representatives of divergent public interests. Instead they have had recourse to coups d'état, armed insurrections, and intimidation, so that the laborious process of acquiring the techniques of orderly parliamentary government never really got underway. Indeed, the very principles of such government, like the proper function of an opposition, have never been applied in the workings of the Indonesian parliamentary system. To the contrary: the very idea of a "loyal" opposition is regarded as *ipso facto* destructive, and as "un-Indonesian" since it flouts the traditional Indonesian practices of *musyawarah* (common deliberation) and *gotong royong* (mutual assistance) common in the ancient village sphere. Not a dialogue between interests or a clear formulation of alternatives of policy, but constant unanimity on all major policy issues is held up as the ideal. The result has been disastrous for Indonesian parliamentary government: incessant appeals to non-existent unity by various national leaders have often taken on an increasingly strident, demagogic tone as new panaceas are formulated to stabilise government and economy, and all the while, outside parliament, divergent interests employ extremist tactics.

An example is what has happened to Indonesia since, for the first time since independence, formal recognition was given to the functional groups in affairs of state. On May 8th, 1957, after a prolonged political crisis, which in effect heralded the complete breakdown of parliamentary government in Indonesia, President Sukarno formed a National Council, composed of representatives of the principal functional groups, with the authority to advise the government, whether it wishes such advice or not. Although the influence of the functional groups in the Council was designed to stabilise the government, it cannot be said that such stability has noticeably increased. For one thing the division among existing functional groups was exemplified by the fact that some appointees to the Council refused their seats. For another, hard on the heels of the Council's formation followed Indonesia's gravest internal upheaval, the proclamation of the "Revolutionary Government of the Indonesian Republic (PRRI) in Sumatra. Although Ruslan

Abdulgani, Vice-Chairman of the Council, has stressed the catholicity of the Council's work, this broad interest has not, either directly or indirectly, contributed to a dramatic reversal of the political and economic retrogression of the past year. The Council's deliberations and advice on such matters as the short-lived "New Life Movement" or the equally fruitless "National Reconstruction Conference" appear in retrospect to have been largely wasted, and its concern with athletic events like the Asian Games worthy of a better cause. But perhaps the most serious weakness of the Council is that it is regarded as a consensus creating body for dynamic forces, which are by their very nature mutually antagonistic, and which have not as yet discovered the pattern of political play, counter play and compromise in representative government.

The absence of this discovery thus far has made the army, not the National Council, the political framework of functional group operations today, and between the army and various groups (especially the more volatile ones like those comprising youth or organised labour) there have arisen liaison organisations by means of which the army high command communicates with and controls special interests in society. The principal overarching agency for the control of the functional groups is now the so-called "National West Irian Liberation Front," which was originally founded in 1957 to unify popular Indonesian demands for the return to Indonesia of Dutch held West Irian (New Guinea), but which has now been taken over by the army to focus all such mass action of which the army high command approves. At the same time the Front affords more radical segments of society a conduit of communication with the army authorities in the present nationwide martial law condition. The "Front" is expected to play a major role in mobilising the various functional groups for the implementation of the return to the 1945 Constitution and the elections to be held under it. In consequence of the rising importance of "functionalism" under the army's aegis, membership in functional organisations has risen and the citizen's desire to find an organisational haven by means of functional group membership has created novel problems. After a tour through North Sumatra in February, Veterans Affairs Minister Chairul Saleh stated that one and a half million people in that area alone claimed official status as "Veterans," yet, the government has decided to give such official veteran status to only about 750,000 people throughout Indonesia. Being officially recognised as a veteran, a "youth" or as a member of "the generation of 1945" is becoming profitable, since the bureaucracy of such functional organisations provide significant new opportunities of attaining status and income outside the comparatively narrow political sphere of parties and parliament.

Whether the developing functional structure of the Indonesian state will bring about that measure of stability which the country so badly requires remains to be seen, but there can be little question of the earnestness with which national leaders seek to make the government more representative. To some observers the "functional revolution" may seem a threat to the vestiges of traditional forms of parliamentary government for which Indonesians after all fought in their revolution against the Dutch. But the dynamics of the Indonesian situation may well require a different approach, and it is one of the ironies of history that such a new approach was long advocated in certain Dutch colonial circles. These circles were critical of the workings of Western style parliamentary democracy in Indonesia and urged instead a more "historic" approach, based on the cultural diversity and differences of interests among the population. As Hendrik Colijn, an old Indonesia hand and several times prime minister of the Netherlands, wrote more than 40 years ago regarding the internal political structure of Indonesia: "the same institutions which can be democratic for a nation at a certain level of development, can become for a people of a different nature an instrument of repression and tyranny." Current efforts to improve the parliamentary system in Indonesia perhaps are a belated recognition of Colijn's foresight.

# ASIAN SURVEY

## SINGAPORE AFTER ELECTIONS

*From Our Singapore Correspondent*

THE results of the General Election were as expected. The People's Action Party (PAP) won with an overwhelming majority. They won 43 out of 51 seats in the new Legislative Assembly. It was compulsory for Singapore citizens to cast their votes, and a total of 524,420 voters out of an electorate of 587,797 went to the polls. The PAP won 54 per cent of the votes cast. In other words, they won not only a majority in seats, but a heavy majority in votes. All of the other parties failed abysmally. The Singapore People's Alliance (SPA) obtained only 4 seats; the United Malays National Organisation (UMNO) three; and Independents one. The only ministers of the former Government who were re-elected were ex-Chief Minister Mr. Lim Yew Hock (SPA), and ex-Minister of Local Government, Lands and Housing, Dato Abdul Hamid bin Haji Jumat (UMNO). Mr. David Marshall, Singapore's flamboyant first Chief Minister, was unsuccessful. The Commission of Enquiry into the \$1 million bank account of Mr. Chew Swee Kee, ex-Minister of Education, and founder member of the SPA, and the inability of the parties of the right to present a combined front against the PAP undoubtedly contributed to their downfall. What must be acknowledged now without any reservation is that the PAP came into power with the mandate of the majority of the people of Singapore.

During the last week or so of the election campaign there was a slight swing away from the PAP due to some rather unwise public utterances by their leaders, but it was not serious enough to affect the final results. For instance, Mr. Lee Kuan Yew alarmed the *Straits Times* by saying that any journalist "who tried to sour up or strain relations between the Federation and Singapore" after the new Government came into power "will go in for subversion . . . and will be taken in under the Preservation of Public Security Ordinance. We shall put him in and keep him in," he added. As a result, the Editor-in-Chief of the *Straits Times*, flew post-haste to Berlin to lodge a protest with the executive of the International Press Institute that the Singapore Press was threatened by a political party that sought to curtail its liberty. The International Press Institute has now sent a special observer to Singapore to investigate the situation.

Some of the PAP leaders have also been virulent at public meetings in their denunciation of the white man, or "whiteskin" or "ang moh kwei" (red haired devil) as he is derogatorily called in Singapore, and Mr. Lee on one occasion threatened to drive him into the sea. But I think the point that Mr. Lee wanted to make was that no European would be welcome to remain in Singapore unless he was prepared to treat Asians as equals. "Any white man who bullies our local citizens will get a 24-hour ticket to leave the Colony," was how he put it.

Local and foreign capitalists have also been uneasy for some time as to their future in Singapore. There has been talk that restrictions would be placed on their activities. But

Mr. Lee, when asked after the election whether there would be any restriction on capital going out of Singapore, replied: "None in the immediate future."

Immediately following the election, Mr. Lee told the Governor, Sir William Goode, who has become the new state's first Yang di-Pertuan Negara and also automatically the first British Commissioner in Singapore, that he would not form a government unless eight detainees who were associated with the PAP and who were detained under the Preservation of Public Security Ordinance, were first released. But this did not prove to be an insuperable difficulty, and after consulting London, the Governor gave his approval in order to achieve "a swift and smooth introduction to the constitution." These eight persons include Mr. Lim Chin Siong, former Assemblyman and Secretary-General of the defunct Singapore Factory and Shopworkers' Union, Mr. Fong Swee Suan, former official of the SSFU and Secretary-General of the Singapore Bus Workers' Union, Mr. C. Devan Nair, former official of the SSFU and of the Singapore Traction Company Employees' Union, all of whom are believed to hold political views far to the left of Mr. Lee.

It is interesting to note that those who were most outspoken about the PAP before the election are now hastening to find something good to say about them. "Perhaps it won't be so bad after all—let's give them a try, anyway, and see what happens—responsibility will temper their impetuosity," is typical of their comment. In other words, Singapore carries on. But it will not carry on for long in the same old way. When Mr. Lee Kuan Yew and other PAP leaders addressed a crowd estimated at 80,000 on the Singapore Padang a few days after the election, the people of Singapore were told that changes will take place in response to the underlying social pressures and that, in the future society, people will no longer live in groups insulated from each other. "The English-educated must find his way back to the people and he must break out of the cultural and class isolation in which he now lives." The two long-term goals of the party were described as being (i) a re-orientation of attitudes towards education and hence a revision of the educational system (ii) a merger with the Federation of Malaya to relieve the pressure of population on a limited land space. These sweeping changes to come have been symbolized by a huge broom which PAP supporters have been parading through the streets in the last few days in open lorries decorated with the PAP badge of forked lightning.

The most important question, however, is the attitude of the PAP towards Communism. Mr. Lee Kuan Yew has described the Communists in Singapore as a "challenge" and not a "menace." He said that they were people with a clear-cut religion with saints, like Marx, Lenin and Stalin, and he stressed that the public should recruit men who could answer their challenge. He affirmed that the PAP was primarily a democratic party with a non-Communist outlook in keeping with its policy of neutrality.

**Malaya****Alliance Stable****From Our Kuala Lumpur Correspondent**

Six of Malaya's 11 States which form the Federation, have now been to the polls to elect their individual State Assemblies for the next five years. In all six States, the Alliance Party, which has ruled Malaya since 1955 and brought stability and independence to this country, has won "hands down" in every State.

In three States—Kedah, Perlis and Malacca—the Alliance Party swept the board, winning every seat. In Perak State, where the richest tin mining land in the world is to be found, the Alliance expected some strong opposition, but there, too, they won a comfortable 31 seats out of 40, and this result is being claimed by the two major opposition parties as a "major victory" for them.

All in all, out of the six States, the Alliance has now won 130 seats, with a total opposition of 18.

The other five State elections were due to be held later in June and it is already a foregone conclusion that the Alliance will again repeat their overwhelming victories.

This clearly indicates that when the Federal elections are held in August to elect the 104 members to the House of Representatives, the Alliance is assured of a big majority. Tunku Abdul Rahman, the former Prime Minister, who resigned early this year to start campaigning for the elections,

is today a happy man.

He is now virtually assured of another term as Prime Minister and will undoubtedly accept this post again after the August Federal elections. His Alliance Party has shown that a "conservative" party—the Tunku has always described the Alliance as a "rightish" party—can bring prosperity to a newly-independent Asian country and go back to the people and be re-elected again.

Several other parties in opposition have tried to capture votes by playing up the communal angle—Malaya for the Malays; Malaya for the Chinese; and so on. But this reasoning just hasn't worked. At every opportunity, the Tunku has gone out of his way to smash communalism by emphasising that Malaya's hope for the future is in bringing about a united nation in which peoples of all shades of colour come to look upon this sunny land as their home and to regard themselves as Malayans.

Malaya's Prime Minister, Dato Abdul Razak, has sent best wishes and congratulations to the Peoples' Action Party in Singapore on their victory in the new State elections there. The PAP, a left-wing party, differs considerably from the outlook of the Alliance Party and while there does not seem to be much prospect of an early merger of the two territories, there is no doubt that relationships will be cordial and the Federation will do its utmost to assist Singapore.

If the Singapore Prime Minister's (Mr. Lee Kuan Yew's) moderate tone on some matters is any criterion, the PAP is already beginning to feel the responsibility that comes with power. The threats to the Press remain, and while they remain there must always be doubts about the new government's sincerity in its announcement on other matters, but taken at

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its face value, Mr. Lee's policy promises sweeping reform but not anarchy.

It is important that the Prime Minister of the Federation and the Prime Minister of Singapore should know each other's points of view and precisely where they stand. The Federation has no intention of interfering in Singapore's affairs, as Tunku Abdul Rahman clearly indicated by not intervening in the Singapore elections on behalf of the United Malays National Organisation or the Malayan Chinese Association branches there—both parties of which are partners in the Alliance. But understanding between the two Premiers is essential.

In fact, however, Malaya has already assumed a considerable responsibility for Singapore in sitting on the security council for the island. In the tragic event of matters deteriorating seriously in Singapore, it would be more likely to be Kuala Lumpur than London that would take the first step towards breaching the new constitution by withdrawing the Federation representative from the security council. But this would only be done if the Federation's advice was not accepted. Nevertheless, it is an indication of how closely the Federation is already concerned with the administration of Singapore.

On economic matters, Singapore's Prime Minister made it clear that Singapore's economic policy would be largely dictated by the Federation and if this is the case there is much to be discussed.

### Australia

## Defence Planners' Quandary

*From Charles Meeking*

(EASTERN WORLD Canberra Correspondent)

In the last year or two even the Menzies Government's best friends have been telling it that delays and uncertainties in the manning and equipping of the defence services are a serious reproach to it. Admittedly, the problems of a numerically small nation trying to guard a continent (in the heart of which a major British-US satellite programme is being hatched) are not easy; and at the moment two recent and acknowledged developments in South-East Asia and one potential change are multiplying the problems of the defence planners.

The building of a Russian base near Yemen, the attitudes of India and Ceylon to defence communications between Britain and Australia, and the feelings in the Maldives over the RAF staging base there offer some headaches for the Australian chiefs of staff. To these now are added doubts over the future of the Singapore bases on the politico-military trends in Indonesia.

In the meantime there has been little appreciation in Australia of the significance of President Sukarno's world tour, although his visit to South America should have suggested to some alert minds in Canberra that the West Irian problem may soon reappear in the United Nations, and that next time the requisite two-thirds majority may direct a resumption of Indonesian-Dutch talks on the subject. If this is so, then it is all the more astonishing that the

Australian Prime Minister, when in Washington recently, should have gone out of his way to express fears of an armed Indonesian attack on West Irian, while admitting that Australia had been given a signed undertaking by Indonesia's Foreign Minister, Dr. Subandrio, in Canberra that no such attack would be made. There had been hopes here that when Mr. Menzies went to Djakarta next October he would sound out the chances of an Australian-Indonesian non-aggression pact. Those hopes have not been strengthened by his Washington remarks.

The long-range Australian defence problems include not only countering (through SEATO) the active Communist subversion in South-East Asia, but also the provision of some means of meeting any armed attack by either Russia or China. In fact, China is presenting the major puzzle for politicians and defence services alike. There are reports of widespread underground work by the Asian Cominform, including intense activity in Java directed from Peking, but there are official indications that within a reasonable period Australia will accord diplomatic recognition to Peking.

This has stirred up political speculation. It has been suggested that the threat of it might induce the United States to reconsider its disposals programme which is destroying several traditional markets for Australian foodstuffs in Asia.\* It has also been suggested — and officially denied by the acting Prime Minister, Mr. John McEwen — that greedy exporters are putting pressure on the Menzies Government, just as Communist-controlled trade unions put pressure on the Labour opposition leader, Dr. H. V. Evatt, for closer relations with China.

Reappraisal of the defence needs, and the roles of the services in these circumstances is not easy. Even the future of Australian army units, still in Malaya at the request of the Federation Government, is doubtful as this is written, with discussions in progress there with the Australian Army Minister, Mr. J. Cramer. Many, and perhaps all of these issues were doubtless in the mind of Mr. Menzies when he urged in Washington support for the Macmillan policy of summit talks with Russia "at any time and at any place." (Dr. Evatt was prompt to point out that this endorsed his own views and was a reversal of Mr. Menzies' opinion of 18 months ago. Mr. Menzies thereupon admitted that events had changed his mind).

Australian sensitivity concerning Asian opinion was further demonstrated recently on several points. It was stated, for example, that the Department of External Affairs was rightly concerned that only 18 Australian diplomats can speak an Asian language.

There was anxiety over reactions in Australia and elsewhere to the fact that a fine of £150 was the sole penalty imposed on a European found guilty in Australian New Guinea of unlawfully killing a native by a blow. At the same time it was reported from Port Moresby that the natives of Papua had "lost faith, confidence and trust" in the Administration's land policies. A mixed-blood member of the central Advisory Council said the Papuans feared they would lose ownership of their land when development plans were being made.

There has been new advocacy of abandonment of the policy of restricted immigration, and a proposal that Australia should teach Asians the special techniques of scrub-clearing developed successfully in this country.

\* See EASTERN WORLD, June, p.22.

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Brightest gleam on the international horizon was the Russian announcement that Russia would not build military bases in Antarctica, and that the coming Washington conference on that area might prove a "little Geneva" for the southern hemisphere. "No cold war there," said one diplomat in Canberra.

## Hong Kong

### New Regulations and the Women Workers

*From Our Hong Kong Correspondent*

Hong Kong's industries, especially its textile industry, prospered for a short period owing to the big influx of capital and refugees from the continent after the war. Then difficulties began to set in both from within and without. Apart from the restrictions in the United Kingdom on the imports of textiles from Hong Kong, it is further hampered at home by the new regulations under the Factories and Industrial Undertakings Ordinance which, going into force on January 1, 1959, has thence become the cause of occasional complaint both from the workers and the manufacturers.

The main stipulations of the Regulations are that no factory can employ women workers or young persons for more than 10 hours a day, that they must have one rest

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day each week, and that work cannot be continued without break after 5 hours.

This causes complaint from the labourers, because women workers who formerly worked 12 hours a day (generally paid on a daily basis or on piece rates) must now have their daily wages reduced by  $\frac{1}{6}$ th and give up four days' earnings a month. For example, a typical woman metal worker who worked formerly for HK\$74.65 a month must now be content with HK\$50.40.\*

The Regulations are protested against by the manufacturers, because a break after each 5 hours causes much inconvenience and confusion; and being unable to work women more than ten hours, they are compelled to employ men instead (for with men there is no restriction whatever); but men require higher wages, and that makes it very unfavourable for them to compete in the foreign market. What the employers want the government to do is to find new markets abroad, reduce taxes, cut down the charges of electricity and water, supply cheaper industrial sites, and keep down the house rent, so that more may be sold abroad and there may be more to be shared with the workers.

Now, as a result of these regulations, both the workers and employers have to suffer; and the women workers, of course, have to suffer much more, many of them having already been replaced by men. One may wonder why the new regulations should be enacted at all. The answer is to be found in the circumstances which led to their promulgation. They seem to be the result of external pressure, connected with the major debate in the British Parliament on the state

\* HK\$1=1s. 4d. £1 sterling=HK\$15.

of Britain's cotton industry last June, and—more important—the prolonged negotiations carried out by the Lancashire delegation in Hong Kong in the latter part of last year.

However, the Government seems not so much to blame for in order to maintain Hong Kong's smooth relations with the outside world, it must sometimes yield to certain external forces by making internal adjustments—often at the expense of the weaker party, of course. And it must also be said that the Government has always shown a genuine concern for women and child labour. Diligent inspection is carried out very frequently in the factories, and employers are strictly prohibited from employing women and young persons after eight in the evenings. During recent years, something has also been done concerning compensation of industrial casualties.

Yet, the Hong Kong industrial workers are working under very adverse conditions. On the one hand, the necessity of importing raw materials from abroad and the lack of a local market, compels the manufacturers to allow a fair margin for being able to compete abroad. On the other hand, large numbers of refugees from the mainland make the competition for jobs extremely hard. It is largely for these reasons that the workers in Hong Kong today enjoy none of such things as fundamental human rights entitle them to. They work a maximum of working hours and receive a minimum of wages and have no rest days. With the exception of those in public utilities and a number of big firms, most workers have to work twelve hours a day, with a daily wage as low as HK\$2.50 for men and HK\$1.60 for women. They seem not so much interested in rest days, as most of them, working on a daily basis, are generally content to have two or three days' rest on Chinese New Year.

The workers of Hong Kong, like those of any other part of the world, must largely rely upon their own united efforts for any improvement of their own lot. But, unfortunately, the trade unions of the Colony, besides the difficulties mentioned above, are subject to the influences of opposing political interests which are particularly strong here. They have also to struggle under a colonial government which looks upon them rather with mistrust and fear. Nevertheless, they have made some valuable progress, like the gradual adoption of the three-shift 8 hours system by an increasing number of big firms.

According to official figures at the end of last March, 67,310 women workers were employed in Hong Kong by the local registered factories, while young workers between 14 and 18 only number 646. Among the women workers, 36,010 were employed in cotton spinning, 11,257 in garment making, and 10,652 in metal products.

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## Recent Books

**A Book Of Thoughts by KINICHI ISHIKAWA** (*New York: Taplinger Publishing Co.* \$3.50)

"I often dreamed about this mountain. To me she was not made of rock and earth. Mountain air, pure and infinitely blue, had congealed and become a mountain, light and delicate. A mountain to look at, think about, and to remember with tears." If only Mr. Ishikawa, in this collection of almost thirty occasional essays, had been content to allow Zen and haiku to model his thoughts in this way, we should have had a remarkable document, valuable in itself as a piece of artistry from the pen of an illustrious writer, and vital further for the insight it gave into the thoughts and feelings of today's Japanese. Instead, the haiku-mind in Mr. Ishikawa often sinks to the stodginess, the clumsiness and the absence of verve that tend to blight the Japanese when he begins to write in a language or to think in terms foreign to him.

There are indications of the age-old awareness of sound—"the garden was bee-loud"—and there are comments on the habits and trends that Mr. Ishikawa watches which might have come from a Heian period brush—"the beret is the symbol of progressive intellectualism, worn by people to try to appear to be sympathetic, with but not of, the left." But the jokes, or nearly all of them, fall flat, as does the whole of the chapter, "A sense of Humor," in which is recounted a batch of funny stories from mold Tokyo. The word nice is cruelly overworked and there are misprints galore, not merely among the Japanese words.

G.B.

**City Life In Japan. Life In A Tokyo Ward by R. P. DORE** (*Routledge and Kegan Paul*, 45s.)

Mr. Dore's study of just about every aspect of life in a Tokyo ward is a curious mixture. At times it is eminently lively and sympathetic; it gives a vivid picture of the things that count to the local policeman's wife or to the nineteen families which share a single toilet in one of the apartment blocks. Yet on occasions all the author's natural exuberance disappears under the overwhelming flood of the sociologist's technical terminology.

There is a real wealth of detail to satisfy the most curious of statisticians; 81 percent of all householders in the ward have radio, 75 percent have an electric iron, 33

percent a sewing machine, 12 percent a fan, and so on. Many ward housewives do factory out-work (at an average of 10s. to 12/6d. for a 48-hour week in 1950). About three-quarters of male householders had taken out life policies and over half had fire insurance. Over half of the parents intended to rely on their eldest son if their parent household was dispersed as their children's marriage; 20 percent wanted to be as independent as possible, but only one tenth averred a firm intention of never being a burden. Nearly half the housewives received the whole of their man's pay packet and doled out his pocket money. Nearly 70 percent of the husbands helped in some way in the household (the most tangible aspect of Japan's democracy) though only three in a hundred went as far as washing clothes. Over a third of the employees (in a survey of quite narrow scope) belonged to no union; and at the high school which is most ward boys attended 95 percent of the pupils aimed to go through a university.

There is a treasure of detail of this kind, often highly readable, but sometimes hard to reach through the surrounding bulk of background, historical and national information. It is indeed a pity that the publication of material collected in the middle of 1951 should have been so delayed.

GEOFFREY BOWNAS

**The Economics Of "Underdeveloped" Areas** (*Oxford University Press*, 8s. 6d.)

This is the second edition of an annotated reading list of books, articles and official publications on underdeveloped areas, compiled by Arthur Hazelwood of the Institute of Commonwealth Studies, Oxford.

### ELEMENTS OF CARGO HANDLING

By Col. R. B. Oram, O.B.E., E.R.D. This work is intended to be read by the staffs of dock undertakings, shipping companies, forwarding agents and other bodies whose work revolves round the loading and discharge of ships. It gives a sound knowledge of the subject, both theoretical and practical, and deals with labour relations and other allied functions, providing a glossary for the student, of technical terms and phrases. Illustrated. 12/6d. net.

### A HISTORY OF RENAISSANCE ARCHITECTURE

By Bruce Allsopp, B.Arch., F.R.I.B.A., etc. Traces the history of architecture from the beginning of the Renaissance in Italy, through its development in Europe and America, up to the counter-renaissance movements in Britain in the eighteenth century. It is the only book of its kind covering Renaissance architecture as a whole and seeing it from a modern viewpoint. 50s. net.

### BENHAM'S ECONOMICS

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## Economics and Trade

# PRODUCTION ORGANISATION IN CHINA

By Douglas Sun

**E**XCEPTING the so-called cottage industries, the present-day structure of factory organisation in China is solidly based upon the state or local state industries and joint state-private enterprises. The management of both types of enterprises is vested in an administrative committee which is a prototype of industrial democracy. It is characteristic of the new industrial relations that the management and the trade union in these enterprises share one aim in common, namely, increasing productivity and practising economy in order to ensure the fulfilment of the production plan although their spheres of responsibility are different.

In a state industry, the administrative committee is constituted out of an equal number of representatives from the management and trade union sides. The quorum of membership varies from five to seventeen persons, depending upon the size of the enterprise. Both the manager (or director), submanager (or deputy director), chief engineer, and chairman of the trade union serve as *ex-officio* members, with the manager acting as an *ex-officio* chairman of the Committee. Managerial personnel are nominated by the appropriate Ministry or its head office. Trade union representatives to serve on the Committee are

subject to election by a mass meeting of workers, and their tenure of office lasts for a year. Far-reaching measures of decentralisation have been put into effect since 1957, delegating wider authority to the local factory or mine in the matter of industrial and financial management.

Within the broad directive issued by its superior organ, the Committee is in full charge of all administrative problems, relating to plant organisation, production, engagement or discharge of labour, wages and welfare facilities etc. Although decisions are generally reached by a majority vote, it is by no means a committee rule in an ordinary sense, because the manager retains over-riding authority. In case of emergency, he is authorised to take prompt action without consulting other members but is obliged to report it to the committee for subsequent sanction. In a large enterprise, an *ad hoc* standing sub-committee may be set up, composed of the manager, chairmen of the trade union and a third member co-opted by the committee and is responsible for the routine administration. The whole set-up is based upon the principle of so-called collective leadership and individual accountability woven around the party nucleus under the guidance of the party secretary attached to the state enterprise.

In a joint state-private enterprise, the composition of the administrative committee is slightly different because it includes representatives from the three sides, namely, the state, entrepreneurs and workers and its membership also varies from five to seventeen persons. For instance, the administrative Committee in the Jen Li Wool Textile Mill is composed of seventeen members — two representatives each from the state and entrepreneurs, a party secretary, a youth leader, a trade union official and ten representatives from the workers' side. The Committee is held responsible for broad policy and planned production.

On the equipment side of the production equation, there are two types of plant layout worth mentioning, indicating a new trend. The first one is called the Flowing Operations Method or in customary western terminology, sequence production on a continuous assembly line. In some industries where a number of different products are produced, the sequence of processes is seldom the same and the relationship of one operation to another is not always clear. In such cases, the layout of machinery will inevitably be a complicated matter and it is difficult to generalise. However in certain industries where the manufacturing sequence is a continuous flow and the relationship between one operation and another is closely inter-related, the adoption of sequence production on a continuous assembly line becomes a technical possibility. For instance, the layout in the State No. 1 Machine Tools Plant at Mukden and that of the State No. 1 Motor Works at Changchun are built according to this new method of production. So long as the sequence of processes lends itself to an uninterrupted stream the same method may be extended to other departments where little mechanisation is involved, e.g. in the shoe-making department in the Rubber and Tyre Plant at Shanghai. Each operative or team of operatives there concentrate their attention on one part of the sequence of the processes. At the end of it, a pair of shoes is ready for packing.

The second type is called the Aggregated Machine Group. A typical example is the new textile mill where machines are grouped around the sequence of manufacturing processes.

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each group of machines is capable of performing the part assigned to it. A tendency is noticeable of integration in the design of modern Chinese mills, amalgamating the spinning and weaving sections with dyeing and printing plants for the purpose of reducing packing and handling costs of finished goods.

The Outstanding Workers Movement, centring on technical innovations during 1958, is a new feature on the production front. This movement is placed under the aegis of a production committee composed of workers' delegates and technicians with the union leader sitting as an *ex-officio* chairman of the committee. The rank and file are given every incentive to higher productivity, and special bonuses and privileges are bestowed upon the workers achieving extra output above norm. Besides the inducement of monetary rewards and prospects for earlier promotion, an honours list is prominently displayed on the premises recording the names of the outstanding workers and their achievements. In case of a special achievement which may have wider application, then his name together with his photograph will appear in the national press and his experiences will be popularized throughout the industry. Quite a number of people's deputies are drawn from the rank of model workers. However an outstanding worker has a special role to play in the movement. He must not be content with keeping his norm or record output but, more important, set about to train other workers in the mastery of advanced technique and continuously lend them a helping hand. Therefore the emphasis is not so much on individual excellence as on mutual aid and teamwork. In such a way the ordinary workers are stimulated to

learn and catch up with the advanced workers. All of them are encouraged to make improvisations or invent gadgets for increasing output and reducing waste. It is estimated that the rank of outstanding workers rose to almost two and a half million by the end of 1958. The significance of pure numerical increase may be appreciated if it is projected against China's background of age-old technical backwardness. So the movement functions as a nursery school in which advanced experience or technique may pass from one hand to another.

An extension of the production movement on a group principle is the Emulation Campaign. Workers engaged in the same trade or industry are encouraged into friendly rivalry on a local or even national scale for high output and good quality. The Red Banner, a symbol of honour, becomes a much coveted prize to be awarded to the group champion in the production race. For example, a team of workers of whatever trade may throw out a challenge to other teams in the same factory; operatives in a textile mill may challenge their mates in other textile mills within the district; or workers in farm implement workshops up and down the country may start a campaign to speed up production of ploughs with wheels and single or double shares.

The wide-spread exchange of technical knowledge and experience is the essence of the Outstanding Workers' movement. The method used is nothing new in its outward form and contains no surprises for western-trained students of scientific management. It is just a readaptation of the age-old principle of division of labour and a popular version of time and motion studies. Like the scientific method employed in the West, it endeavours to eliminate the redundant process or rearrange the sequence of existing processes so as to save labour and materials with increased productivity as the ultimate aim. It may also involve innovations in mechanical aids or new technical processes. What is new or strange about it is that it represents a movement not imposed from above, but launched from below at the initiative of the rank and file to rationalise working methods. In other words, the setting is entirely different from that obtaining in other countries where a scientific method of production has to be devised by time and motion study engineers perhaps in face of opposition or, at least, suspicion from the workers. Moreover the improved method once successfully adopted in one factory is not monopolised as a closely-guarded secret but will be widely publicised and shared with others.

The movement, a development of the party's mass line, relies heavily upon mass inventiveness or popular initiative of the workers on the benches. The tendency of concentrating easily on increased output at the expense of quality is something the Chinese are trying to combat.

The effectiveness of the movement is evidenced by the substantial achievements on the production front topped by a doubling of steel and coal outputs during the 1958 "Leap Forward." The secret of China's success in a rapid transformation of the whole country may be a Chinese puzzle to the outside world. It makes one wonder whether this pooling of "know-how" contains a prescription of her success when "trade secret" is no longer treated as a secret.

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## *W. German Economic Relations with Thailand*

*By Gerd Scharr*

*(Chief of the Economic Section of the German Embassy in Bangkok)*

In 1958 West German exports to Thailand were valued at DM 97 million as against 114 million in 1957. This trend of slight contraction continued in the first quarter of 1959 when the exports were valued at DM 22.4 million compared with 23.7 million during the corresponding period of 1958.

On the other hand West Germany's imports from Thailand show an increase, they amounted to DM 53.1 million during 1958 as against 36 million in 1957, and to DM 10.3 million during the first quarter of 1959 as against 8.8 million during the corresponding period of 1958.—ED.

THE beginning of German-Thai commercial relations dates back well over 100 years. In 1862 a Treaty of Friendship, Commerce and Navigation was concluded between the Kingdom of Siam and the Government of the German Reich, i.e. the Kingdom of Prussia, in order to promote and direct trade into the proper channels and to give the greatest possible protection to merchants and shipmasters alike on the basis of reciprocity. Trade between the two countries continued to develop favourably during the succeeding decades to be interrupted only by wars.

After World War II the German economy recovered fast and Thai and German business friends resumed their old connections.

In 1950 already the total turnover exceeded the level of 1938. The trade volume continued to increase steadily and exceeded the 500 million tical ceiling (about 100 million DM) in 1954.\* In the succeeding three years it soared to over 750 million ticals (about 150 million DM) or more than 150% of the 1954 volume.

The exports of the Federal Republic to Thailand cover numerous commodities, first of all, of course, manufactured goods such as:

	in million Ticals	
	1956	1957
All kinds of machinery	44.0	102.0
Electro-technical goods	65.0	85.0
Cars	53.0	59.0
Ships	—	—
Tools	56.0	71.5
Commodities of iron and steel	36.5	49.0
Rubber goods	23.0	22.5
Precision-tool products	13.5	14.5

Thai export firms likewise succeeded in gradually reintroducing part of their products in Germany and managed to increase their sales in the last few years in the face of heavy competition. It is, of course, not easy for them to maintain their position in the German market with a relatively small scale of goods owing to production rather than marketing difficulties. Numerous offers of first class and low priced goods from other countries trading with the Federal Republic made it difficult for the German merchant to make up his mind. Thai exporting firms in cooperation with their customers increasingly make efforts to expand their exports to the Federal Republic. Consequently it is to be hoped that the balance of trade will be levelled out in future. Considering, however, the big volume of Thai goods imported by the Federal Republic via third countries a far more favourable picture results reflect-

ing the sound commercial relations existing between the two countries.

The friendly relationship between the two nations is of course not limited to the mere exchange of goods. Numerous German technicians and engineers came to Thailand to take care of erecting the machinery delivered, and to train the Thai personnel. Many German experts flocked to Bangkok and other cities, while Thai engineers, technicians and students went to the Federal Republic to acquire the know-how necessary for their future positions in the service of the Government or in Thai industrial enterprises.

On the basis of the Treaty of Friendship, Commerce and Navigation concluded in December 1937 a further agreement on economic and technical cooperation was signed in October 1956. A few months later a German good will mission was sent to Thailand with a view to promoting economic and technical cooperation. Together with Thai Governmental authorities this mission investigated the possibilities of rendering German technical assistance. The findings of the mission have yielded various results.

As a first step, a vocational school will open its doors to train some hundred Thai specialised workers. Preparations for this are already being made, and the Thai authorities are erecting the necessary buildings. The teaching staff and all the technical equipment will be supplied by the Federal Republic. Germany is thus making a further contribution toward the industrialisation of its Thai partner.

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## INDUSTRIAL AND COMMERCIAL NOTES

### AUSTRALIA'S WOOL EXPORTS TO ASIAN MARKETS

During the nine months period ended 31st March, 1959, Australian wool exports to Japan, the second biggest market for Australian wool, reached 200.3 million lb. as against 148.8 million lb. during the corresponding period of the previous season.

The exports to the United Kingdom, the biggest market for Australian wool, increased during the same periods from 215.2 million to 254.0 million lb. Exports of wool to Hong Kong rose from 1 million lb. to 2.5 million lb. and of wool tops from less than 100,000 lb. to 1.1 million lb. On the other hand, exports of wool to China decreased from 4.9 million lb. to 2.1 million lb. and those of wool tops from 6.6 million lb. to 4.5 million. Among Asian countries which have increased their purchases of wool tops from Australia were India (from 2.6 million to 3.6 million lb.) and South Korea (from 0.9 million to 2.9 million lb.).

### METALLURGICAL PROJECTS IN PEKING

Peking has begun to enter the ranks of China's major metallurgical centres with the completion of a giant blast furnace at the Shihchingshan Iron and Steel Company in its northwestern outskirts.

The new blast furnace, finished before the end of May, is of up-to-date design. Radio-active isotopes are embedded under its hearth to detect corrosion. The whole process, from the charging of materials to the tapping of the iron, is fully mechanised.

Two allied projects have gone up alongside the blast furnace—a coke-oven battery and an ore sintering plant. They make up the first phase of the great undertaking to transform the forty-year

old Shihchingshan Iron and Steel Company from a small iron works into a modern integrated iron and steel plant.

### PAKISTAN-INDONESIA-CZECHOSLOVAKIA TRADE AGREEMENT

A recently concluded trade agreement provides for the delivery of Pakistan cotton yarn to Indonesia, the latter's deliveries of produce to the same amount to Czechoslovakia, for which Czechoslovakia is to supply machinery to Pakistan. Our Karachi correspondent points out that this three-corner agreement concluded by the governments has the advantage, from the Pakistan point of view, that the urgently required machinery can be bought without waiting for the foreign currency returns derived from the exports. It has, however, the disadvantage involved in all barter agreements of this kind.

### UK MACHINERY FOR JAPAN

During the first 4 months of 1959, UK exports of machinery (other than electric) amounted to the value of £1,540,204. This was an increase of over 10 percent of the exports during the corresponding period of 1958 which were valued at £1,364,531. The 1958 exports included those of machine tools — £520,290 (as against £178,113 during the corresponding period of 1958); textile machinery — £275,330; office machinery — £41,669.

Exports of electric machinery, apparatus and appliances to Japan amounted to £255,488 as against £189,431 during the corresponding period of 1958.

### U.S. JET PLANES FOR INDONESIA

A US\$ 5 million credit was granted by the Export-Import Bank in Washington to Garuda, the Indonesian national air line, for the purchase of three Lockheed Electra prop-jet planes.

### CZECHOSLOVAK CEMENT FACTORIES

TECHNOEXPORT, a Czechoslovak foreign trade corporation, will deliver to China complete equipment for four cement works this year. Equipment for further three cement works for delivery in 1960 is already on order.

### HUNGARIAN TELEPHONES FOR INDONESIA

Indonesia has bought 3,000 LB telephone apparatuses from Hungary. The consignment has already been delivered and a new order for an additional 5,000 has been received from the Indonesian Post Office, which BUDAVOX have agreed to ship by the end of 1959. Another recent order is for 2,500 C.B. instruments.

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**Tender No. DLF/13A/20**

The Iron and Steel Controller, Calcutta, is inviting tenders for 6494 long tons Angles, Squares, Channels, Joists, Flats, Sheets, Sheet Piles, Wires, Blooms.

Tenders, which are to be submitted on forms obtainable free from this Office, are returnable in Calcutta by 10.30 a.m. on 5th AUGUST, 1959.

**Tender No. DLF/13A/21**

The Iron and Steel Controller, Calcutta, is inviting tenders for 8108 long tons of M.S. Rounds and 'D' Steel Rounds.

Tenders, which are to be submitted on forms obtainable free from this Office, are returnable in Calcutta by 10.30 a.m. on 12th AUGUST, 1959.

The Office of the India Supply Mission, 2536, Massachusetts Avenue, N.W. Washington 8 D.C., United States of America, invites tenders for the following:-

(a) **Tender Enquiry No. SE. 53.**

"For the Supply of Pumping Sets, 1000 gallons per minute, Submersible or Borehole complete with Rising Main, Central Gear and Transformers."

(b) **Tender Enquiry No. SE. 54.**

"For the Supply of Automatic and Semi-Automatic Lathes, Vertical and Horizontal; Drillers and Tappers; Circular and Band Saws, Threading Machines, Jig Bores, Millers; Shapers, Slotters and Planers for wood; Cylindrical Surface and Tool Grinders, Saw Doctoring Equipment, Plate angle and Tube benders and cutters and Varnishing Plant."

(c) **Tender Enquiry No. SE. 58.**

"For the supply of Presses, Mechanical, Hydraulic, automatic, Brake and Friction Screw, Shears for Plate strip, Sections and Circles. Notching Machines Automatic."

(d) **Tender Enquiry No. SE. 59.**

"For the Supply of Machines for Transformers, Motors and Switch-gears productions including Dry-

ing and Vacuum Ovens, Paper Tube Machine, Coil winding machines, Paper covering machines, Copper wire Brazing machines, Sandblast Equipment, Spray Painting Equipment, Oil treatment Plant, Oil Furnaces, Die Casting Machines and Riveting Hammers."

(e) **Tender Enquiry No. SE. 60.**  
"For the Supply of Portable Electric Tools, Drills, Screw-drivers and shears. Gas cutting Plant, Spot Welders and Flexible shaft Motors."

(f) **Tender Enquiry No. SE. 61**

"For the Supply of Crane Weighing Devices and Wood Impregnation Plant."

Specifications etc., can be obtained from the Coordination Branch, India Store Department, Government Buildings, Bromyard Avenue, Acton, London, W.3., at a cost of (a) £1. 15s. 9d. per tender set. (b to f) 14 shillings and three pence per tender set, per tender enquiry. Tenders are to be returned direct to the India Supply Mission, 2536, Massachusetts Avenue, N.W., Washington 8, D.C. United States of America so as to reach them by (a) 7th JULY 1959, (b) 14th JULY 1959, (c) 16th JULY 1959, (d) 21st JULY 1959, (e) 23rd JULY 1959, (f) 28th JULY, 1959.

Specimen copies of the above enquiries can be seen at Engineering Branch, India Store Department, Government Buildings, Bromyard Avenue, Acton, W.3., under the following references:-

- (a) S.3174/59/NSC/ENG.2
- (b) S.3175/59/NSC/ENG.2
- (c) S.3176/59/NSC/ENG.2
- (d) S.3177/59/NSC/ENG.2
- (e) S.3179/59/NSC/ENG.2
- (f) S.3178/59/NSC/ENG.2

### SHIPPING NEWS

Burmeister & Wain's shipyard at Copenhagen has delivered the cargo motorship BASRA (10,200 d.w.t.) to The East Asiatic Company. BASRA is a sister-ship of BEIRA which was delivered in August 1958, and the third in the series of cargo vessels ordered by The East Asiatic Company, in which the propelling machinery is placed aft.

### BENRINNES OFF TO FAR EAST

"Benrinnnes" (the 12,646 — ton d.w. cargo passenger ship of the Ben Line, left London on her maiden voyage to the Far East. Launched at Tacoma in the United States in 1944, she first took the water as the escort aircraft carrier, H.M.S. "Trouncer," built to carry 12 to 15 planes on convoy duty.

The Ben Line purchased the "Gallic" in March 1957 and in April 1959 the ship finished her time charter and joined the fleet. She was renamed "Benrinnnes" — the fourth Ben Line ship to bear the name and fitted with two

new 175 kW diesel generators. Although she is not the largest ship in the line, the "Benrinnnes" has a greater carrying capacity than any other ship in their fleet.

### JAPAN'S SHIPBUILDING INDUSTRY

Japanese shipbuilding yards have secured an order from the National Development Company of the Philippines for 12 high-speed cargo-ships of the 9,500 tons gross type. It is understood that the price is £1.3 million per ship, and that the following payment conditions have been agreed upon: 7.5 percent of the price to be paid at the signing of the agreement, further 7.5 percent at the time of the delivery, while the remaining 85 percent are to be paid in 7 annual instalments.

According to Lloyd's Register of Shipping, Japanese shipbuilding yards completed 92 ships of 390,462 tons gross including 33 oil tankers of 276,247 tons gross during the first quarter of 1959.

By the end of March the Japanese shipbuilding industry had under construction 155 ships of 1,180,442 tons gross an increase of 185,367 tons with the previous quarter. Oil tankers under construction include one of 26,000 tons for registration in the United States, one of 21,000 tons for Brazil, one of 27,650 tons for registration in Kuwait, eight tankers of 190,427 tons for Liberia, 6 of 153,100 tons for Panama, two tankers of 44,000 tons for Venezuela, one of 12,700 for registration in Denmark as well as 22 oil tankers of 211,415 tons for registration in Japan herself.

### CHINA'S FIRST LARGE ELECTRIC MOTOR

China's first two thousand eight hundred kilowatt D.C. electric motor has been trial-produced in the Harbin power equipment plant in northeast China.

The electric motor has a total weight of one hundred tons and is destined for a steel rolling mill.

## British Banking in Asia

These are the territories served by THE CHARTERED BANK and its wholly-owned subsidiary, The Eastern Bank Limited, through a system of one hundred branches extending to most centres of commercial importance in the Middle East, South and South-East Asia and the Far East. Those branches provide complete and up-to-date banking services, sustained by expert knowledge and long experience of Eastern trade, finance and industry. In London an effective credit information service and skilled assistance and advice are available to merchants and manufacturers seeking new business connexions in Asian markets.



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#### UNLOADING EQUIPMENT IN EASTERN WATERS

Buhler Brothers of Uzwil, Switzerland, who specialise in building bulk handling equipment have been supplying Japan and other markets with various types of installations for faster unloading of ships.

The illustration shows a so-called

"flying" installation of Ship Chain Conveyer units in Japan, allowing the unloading into barges in the open sea, in cases where seagoing vessels cannot enter the harbour. The units are suspended on the ship derricks usually available on seagoing vessels. This flying arrangement of the units forms an extremely mobile and economical unloading installation. The same method can of course also be

applied in harbours, thus eliminating the use of cranes, grabs etc.

Every unloading unit is a self-contained machine with built-in motor and drive and can be applied wherever electric power is available.

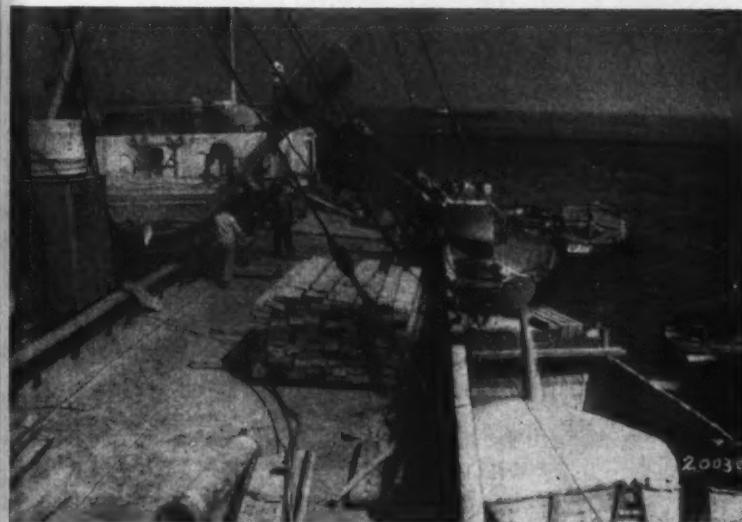
#### INDIAN COTTON FABRIC EXPORTS

The Union Minister for Commerce and Industry, Mr. Lal Bahadur Shastri, has announced measures to boost export of cotton fabrics coming into force on July 1 for a period of six months.

The Government has decided to grant permission for installation of 2,500 automatic looms a year for three years. These looms would replace the ordinary looms now in use in mills. Also, the Government has drawn up a scheme for installation of additional automatic looms on condition that their entire production would be exported.

#### RUBBER PLANTING IN EAST PAKISTAN

The Forest Department of East Pakistan is making arrangements to import good quality rubber seed from Malaya for large scale cultivation of rubber in Cox's Bazar area. About three thousand acres of land have been selected for this purpose. Another plot of a hundred acres has been selected for demonstrations as the climate and soil of the region are most suitable for rubber cultivation.



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The ideal means for any short haul bulk transport. High-power four-cylinder 60 BHP Diesel-engine. Max. payload 6 tons capacity 4 cu. metres. Hydraulic four wheel brakes.

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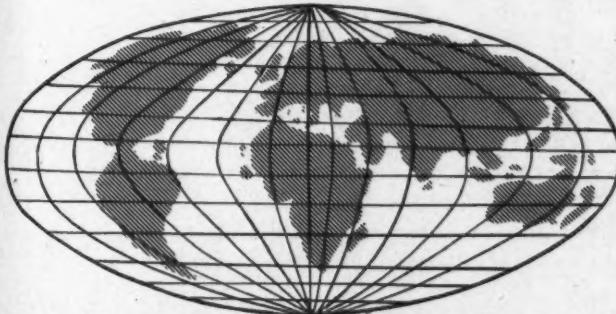
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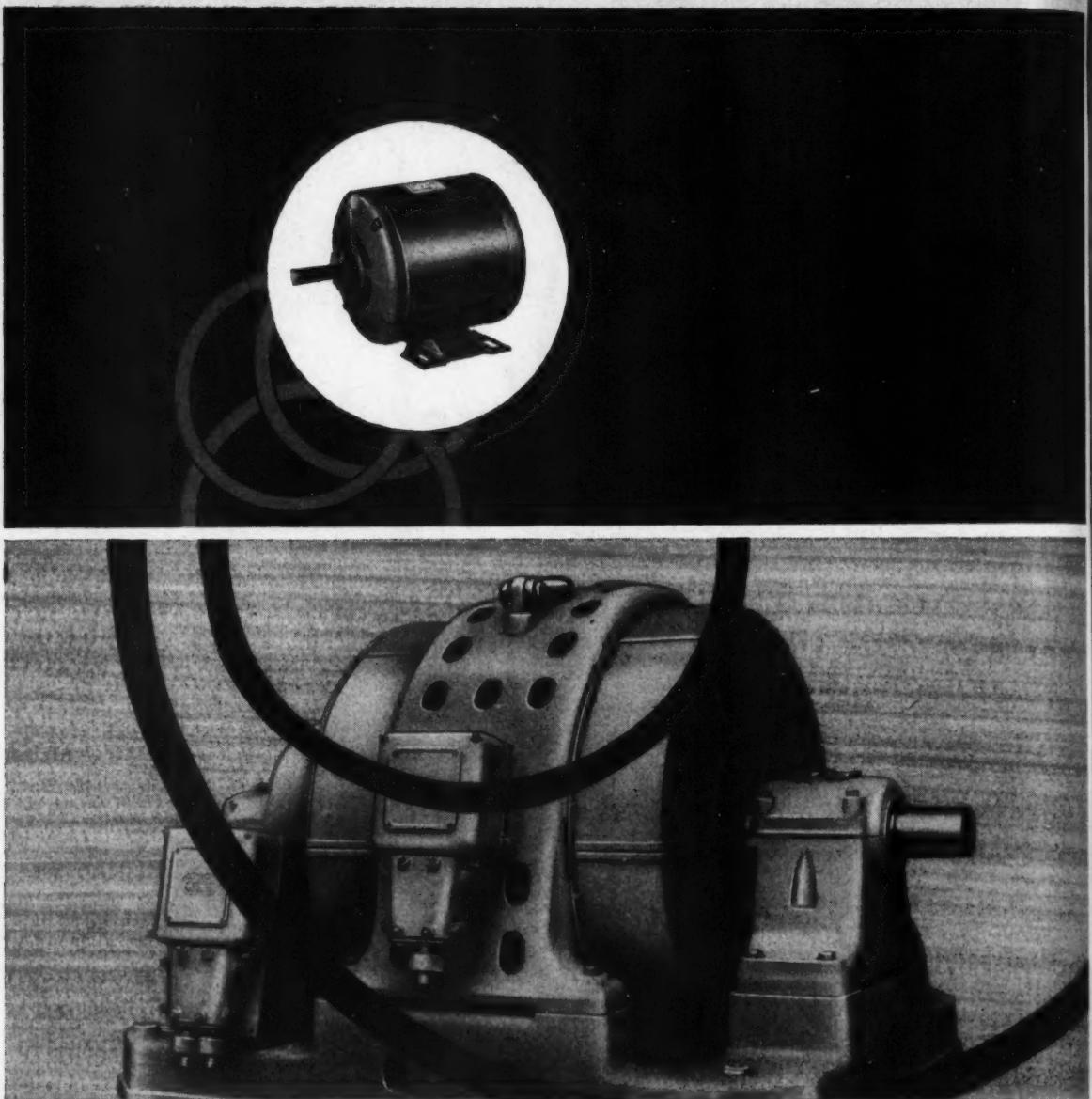
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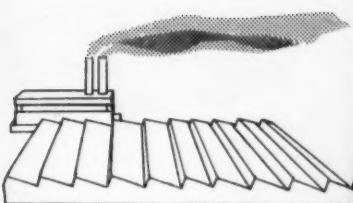
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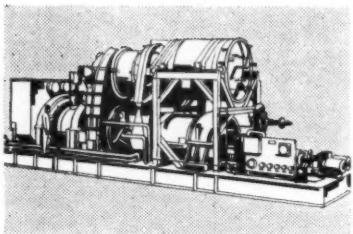
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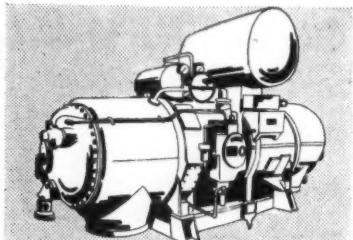
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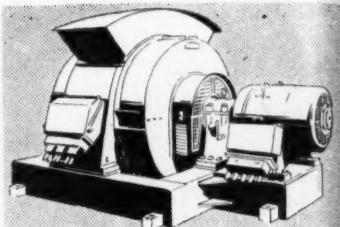
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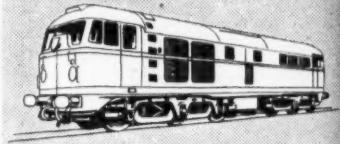
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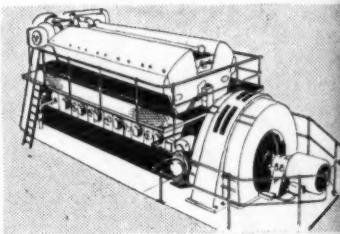
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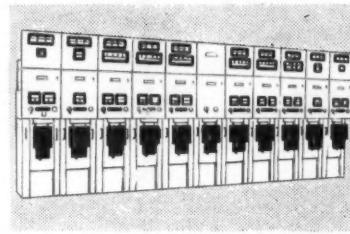
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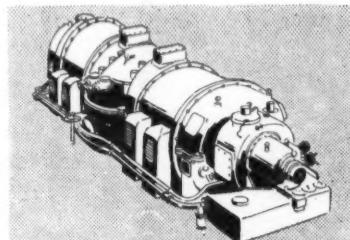
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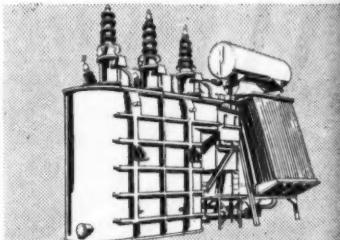
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